GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Home Department - **Attachment of immovable properties** of Sri Sai Ram Chits and Finance Company, Kasibugga, Srikakulam – Under Section 3 of the Andhra Pradesh Protection of Depositors of Financial Establishments Act, 1999 – Ad-Interim orders- Issued.

HOME (GENERAL. A) DEPARTMENT

G.O.MS.No. 119 **Dated: 19-07-2017**
Dead the following:-

1) G.O. Ms.No.349, Home (Genl. B) Department, dated 29.10.1999.
2) From the Collector & District Magistrate, Srikakulam, Lr. Rc. No. 1643/2016 C5 dated 05.06.2017.

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O R D E R:

In the reference 1st read above, orders were issued appointing all the Collectors & District Magistrates in the State and Commissioners of Police of Visakhapatnam and Vijayawada Cities, as "Competent Authorities" in exercise of the powers conferred by sub-section (1) of section 4 of the Andhra Pradesh Protection of Depositors of Financial Establishments Act, 1999 (Andhra Pradesh Act No.17 of 1999) to exercise control over the properties attached by the Government under section 3 of the said Act and such other powers by the Government under the said Act and discharge such other functions as may be prescribed under sub-section (2) of section 4 of the said Act, within their respective jurisdictions.

2. The Collector and District Magistrate, Srikakulam in the reference 2nd read above, has stated that the Superintendent of Police, Srikakulam has reported that the accused viz., 1) Manoj Kumar Patnik, S/o. Saradi Chandra Patnaik and 2) Suresh Kumar Patnaik, S/o. Saradi Chandra Patnaik, the owners of Sri Sairam Chits and Finance, Kasibugga collected deposits to a tune of Rs. 78,22,849/- from the gullible public by attracting them in the guise of payment with interest and suddenly wound up the company without payment to the depositors. As per the report, on 25.04.2014, one Bammidi Hari Prasad, S/o. Nageswara Rao, 23 years, Kalinga by caste, Shivajinagar Street, Palasa lodged a report at Kasibugga, that he joined as member in Chit groups introduced by Sri Sairam Chits and Finance Company, Kasibugga and invested an amount of Rs. 40,000/- vide Chit ID No. SRC-CX/2003 & 2004, but he was cheated by the company without payment and the company also cheated an amount of Rs. 80 lakhs to other public.

3. The above complaint was registered as a case and in the investigation, as many as 203 depositors were identified, examined and recorded their statements, seized the bonds, chit books issued by the accused in token of receipt of the amount and established that an amount of Rs. 78, 22,849/- was misappropriated and subsequently on 06.01.2014, both the accused were arrested and sent for remand, as a prima –facie case of misappropriation of funds was found which amounts to an offence under section 5 of Andhra Pradesh Protection of Depositors of Financial Establishments (APPDFE) Act, 1999. As per the Standard Operating Procedure (SOP), the Inspector of Police, Kasibugga who is the IO in this case, followed the procedure for attachment of properties. As a part and parcel of identifying properties, all the Sub-Registrars concerned and the Branch Managers were requested to furnish the details of the immovable properties of the owners, representatives or in the name of the Firm for attachment and that as per the reports of the Registrars, it is noticed that the accused purchased three plots at Kasibugga and Palasa Towns with the misappropriated amount, and the details are appended in the Annexure to this order.

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4. As per the guidelines of the Standard Operating Procedure (SOP) for attaching the properties of the accused, the Investigating Officer collected the registered documents of the land properties, besides applications of the Financial Establishments, Bonds and Chit Receipt Books issued to the depositors, Registration particulars with Registrar of Companies and all permissions granted in favour of the Finance Establishment and the valuation certificates of the properties from the authorities concerned.

5. The Collector and District Magistrate, Srikakulam has therefore requested the Government for issue of necessary ad-interim orders for attachment of the properties of Sri Sai Ram Chits and Finance Company, Kasibugga.

7. In the circumstances reported by the Collector and District Magistrate, Srikakulam, Government have examined the matter carefully in the light of the provisions of Andhra Pradesh Protection of Depositors of Financial Establishments Act, 1999 and hereby issue an ad-interim order under Section 3 of the said Act, for attachment of properties mentioned in the **Annexure** in respect of Sri Sai Ram Chits and Finance Company, Kasibugga, Srikakulam, to protect the interests of the depositors of the said defaulted financial establishment.

8. The Collector and District Magistrate, Srikakulam, being the Competent Authority is requested to take necessary further action in the matter accordingly as per the provisions of the said Act and the rules made thereunder, following due procedure and send compliance report to the Government.

9. This order is available on internet and can be accessed at address www.goir.ap.gov.in.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

A.R. ANURADHA
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Collector and District Magistrate, Srikakulam.
Copy to:
The Superintendent of Police, Srikakulam.
The O.S.D. to Dy .C. M (Home)
The P.S. to M (Finance)
The Director General of Police,
Andhra Pradesh, Vijayawada.
The PS to Principal Secretary to Government, Home Department.
The Law(C) Department.
The Financial Experts Committee on Ponzy Schemes in Andhra Pradesh (through Additional Director General of Police, CID), Hyderabad.
The SF/SC.

//FORWARDED : : BY ORDER//

SECTION OFFICER

ANNEXURE (**Annexure to G.O.Ms. No.119,Home (General.A2) Department, dated 19.07.2017**)

STATEMENT OF IMMOVABLE PROPERTIES ACQUIRED BY THE ACCUSED IN THE NAME OF SRI SAI RAM CHITS AND FINANCE, KASIBUGGA.

Sl. No.	Name of the Seller/Buyer	Place	Rs. No.	Extent	Cost	Date of Registration	Document Number
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Seller: Pratima Kumari Patnaik W/o Nalini Kanth Patnaik Nityananda Nagar, Kasibugga. Buyer: Manoj Kumar Patnaik S/o Saradhi Chandra Patnaik, Tilak Nagar, Kasibugga.	On the east to the Annapurna Ashram, Near D.No.3-20-714 of Purushothapuram Street, Palasa.	Survey No.95/1 of Purushothapuram	125 Square Yards house site	Rs.75,000/-	31.08.2006	196/2006 SRO Kasibugga.
2	Seller: Andhavarapu Narayana Rao, S/o Late Savarayya, K.T. Road, Kasibugga. Buyer: Suresh Kumar Patnaik, S/o Saradhi Chandra Patnaik, Tilak Nagar, Kasibugga.	Purushothapuram village Patta 3066	Survey No.75/1 of Purushothapuram	285 Sqare Yards house site	1,79,600/-	30.08.2003	2052/2003 SRO Kasibugga
3	Seller: Manoj Kumar Patnaik S/o Saradhi Chandra Patnaik, Tilak Nagar, Kasibugga.	On the east to the Annapurna Ashram, Near D.No.3-20-714 of Purushothapuram Street, Palasa.	Survey No. 95/1 of Purushothapuram	125 Square Yards house site	Rs.1,50,000/-	15.02.2013	550/2000 SRO Kasibugga

	Buyer: Attada Rama Rao S/o Late Appanna, Annapurna Ashram Street, Palasa.						
4	Seller: Paidi Neela Rao, S/o Thavitayya, Waltheru village, Santhabommali Mandal. Buyer: Manoj Kumar Patnaik S/o Saradhi Chandra Patnaik, Tilak Nagar, Kasibugga.	Pothanapalli vari Street, Ward No.11, Kasibugga.	Survey No.74/2 Purushothapuram village, Palasa Town.	83.33 Square yards.	Rs.64,000/-	07.05.2005	Doc.No.1898/2005 SRO Kasibugga

A.R. ANURADHA
PRINCIPAL SECRETARY TO GOVERNMENT

//FORWARDED : : BY ORDER//

SECTION OFFICER